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INTELLIGENCE ADVISORY COMMITTEE

Verbatim Minutes of Meeting held in Room 7117,
Federal Works Building
on Friday, 16 June 1948 at 2:00 P.M.

Rear Admiral R. H. Hillenkoetter, Director
of Central Intelligence, in the chair

MEMBERS PRESENT

Mr. W. Park Armstrong, Special Assistant to the
Secretary of State for Research and Intelligence
Major General A. R. Bolling, Acting Director, GSUSA
Rear Admiral Thomas B. Inglis, Chief of Naval
Intelligence
Major General Charles P. Cabell, Director of
Intelligence, Office of Deputy Chief of Staff,
Operations, USAF
Mr. William C. Trueheart, Representing Atomic
Energy Commission
Major General Walter E. Todd, Deputy Director,
Joint Intelligence Group, JCS

ALSO PRESENT

Mr. Prescott Childs, Central Intelligence Agency
Colonel Merritt B. Booth, Department of State
Mr. Allan Evans, Department of State
Lt. Col. Edgar J. Treacy, Department of the Army
Colonel Allan D. MacLean, Department of the Army
Captain P. Henry, USN
Captain J. M. Ocker, USN
Lt. Col. C. M. DeHORITY, USMC
Major W. C. Baird, Department of Air

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MINUTES OF IAC MEETING - 16 JUNE 1948

Pages 8-10

DIRECTOR: Any other remarks? Well, I think the first thing to be done on this is to check on this and the additional money, and then the additional amounts we will need in any case. Anyone else have anything on this?

There is just one other item. I am sorry we did not get it on the agenda, but it did not come over from Sidney Souers' office until about 15 minutes ago. It is a proposal from the Chief of Naval Operations to downgrade paragraphd 3d and 3e of NSCID No. 7 from SECRET to CONFIDENTIAL. I don't see that it would hurt us to do that. NSCID No. 7, "Domestic Exploitation," paragraph 1:

"The Central Intelligence Agency shall be responsible for the exploitation, on a highly selective basis, within the United States of business concerns, other non-governmental organizations and individuals as sources of foreign intelligence information."

Paragraph 3:

"Further to implement this undertaking, the intelligence agencies shall:"

d follows:

"Obtain, to the maximum extent possible, from their departments and agencies the foreign intelligence information which the departments and agencies have received as a by-product of the normal relationship with business concerns and other non-governmental organizations and individuals in the United States in connection with non-intelligence activities, and transmit to the maximum extent possible, the information to the Central Intelligence Agency for editing for source security and for appropriate dissemination."

Paragraph 3e:

"Obtain, in so far as is practicable and within existing security regulations, from their departments and agencies information concerning business concerns and other non-governmental organizations and individuals in the United States having foreign intelligence potential, which the department or agency possesses or subsequently acquires, and make the information available to the Central Intelligence Agency."

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It is a request from the Chief of Naval Operations for authority to downgrade paragraphs 3d and 3e of NSCID No. 7 from SECRET to CONFIDENTIAL. Do you want to read this? I frankly don't see why we can't do that, unless they want a more complete dissemination.

MR. TRUEHEART: I heard them say when it came up at another meeting that they couldn't send it to the people who needed it, and that it wouldn't be implemented unless they could get it out.

DIRECTOR: If we can do it we should. As far as I am concerned I am willing.

GEN. CABELL: I wonder if anybody here could give us the philosophy for the original classification.

DIRECTOR: It is an occupational disease. Everything they touch is highly classified.

ADM. INGLIS: I think there is a pretty good reason for being close-mouthed. It is not so much the information they get from these commercial firms, but the protection of the firms as sources. They will feel a lot happier if they know that whatever they give us is very closely held. And some of it has to do with competition.

DIRECTOR: That is what they said when we talked to them. They are willing to give the Government the information, but they don't want to see it come back later in the hands of the fellow across the street who is working against them.

ADM. INGLIS: That was probably the factor in having the high classification.

MR. TRUEHEART: It should. The fact that every effort will be made to protect them as a source - probably it would be a good idea to publish it so they will know that we are taking every precaution to protect them.

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MR. ARMSTRONG: I don't see any objections.

MR. BOOTH: I would like to check that.

DIRECTOR: We will send it around with a voting slip. I brought it up because we got it just before lunch. At first glance it looks as if it is all right to do it.

The only other item is just for information. That is, DCI 2/1 is over on Mr. Forrestal's desk and we don't know how long it will be there.

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